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Hungarian Native Arraigned in Spy Plot

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AUGUSTA, GA., April 19 — Otto Atilla Gilbert, a native of Hungary, was arraigned here today on charges of conspiracy to commit espionage. The Federal authorities say he tried to buy national defense secrets from a Hungarian-born United States Army warrant officer stationed at Fort Gordon.

The officer, Janos Mihaly Szmolka, a naturalized American citizen, first reported he was being recruited by Hungarian intelligence agents while visiting his family in Budapest four years ago, according to an affidavit filed in Federal Magistrate's Court here.

The affidavit outlines a long investigation in which Officer Szmolka strung the Hungarians along under instructions from American intelligence agents. The investigation led to the arrest here Saturday of Mr. Gilbert, whose surname was also given as Gyepes and who the F.B.I. said lived for some time in Forest Hills, Queens.

United States Magistrate John W. Dunsmore Jr. ordered Mr. Gilbert held without bond pending a preliminary hearing April 30. The magistrate told the defendant, "This is the most serious offense a person can be charged with, short of taking another person's life."

Suspect Was Carefully Monitored

Justice Department officials in Washington played down the case's importance. "It's a good case, and undoubtedly important to the officials involved in Augusta," said one Department official, "but Gilbert is not an historic figure and his espionage efforts don't amount to that much." A senior official at the Federal Bureau of Investigation said Mr. Gilbert's actions had been carefully monitored and that the ties he

established with Officer Szmolka had been carefully controlled by the bureau. All information given to Mr. Gilbert by the officer was first cleared by Federal authorities, according to the official.

This reaction by the Justice Department officials suggests that the Federal authorities may have been after a higher-ranking figure in Hungarian military intelligence, with Mr. Gilbert apparently acting only as a courier.

Espionage is a capital offense in this country, punishable by life in prison or execution. In the most recent espionage trial, Joseph George Helmich Jr., a former Army warrant officer charged with selling military coding information to the Soviet Union in 1963 and 1964, was sentenced last September to life in prison.

Details of the new case were sketchy because the Federal authorities referred all questioners to the affidavit, but this is how the legal papers described the case against Mr. Gilbert:

While on a Christmas visit to Budapest in 1977, Officer Szmolka, then based in West Germany, was approached by a man named Lajos Perlaki, who later identified himself as an officer in the Hungarian military intelligence service. Officer Szmolka reported the meeting to Army intelligence, which enlisted him to fake cooperation with Hungarian intelligence.

Meeting in Vienna

In December 1979, after 13 telephone calls from Mr. Perlaki to Officer Szmolka, the Army warrant officer agreed to a meeting in Vienna. American agents monitored the meeting, in which the Hungarians told the officer he could make \$100,000 for turning over classified documents on American weapons systems, troop deployment,

cryptographic systems, and military plans and operations, according to the court papers.

Officer Szmolka was transferred to Fort Gordon in January 1980. Allen Byron Gilbert, head of the Federal Bureau of Investigation in Augusta, helped him write letters to Mr. Perlaki over the next year. In March 1981, Officer Szmolka was sent to meet with Mr. Perlaki in Vienna, taking with him 16 rolls of undeveloped film the Army and the F.B.I. had prepared. The officer received \$3,000, the papers said.

Another meeting was planned for Augusta if the officer could obtain a substantial number of classified documents. With the Army and the F.B.I. ghostwriting his letters, the officer arranged to meet with a representative of Mr. Perlaki at the Confederate War Memorial in Augusta on Saturday.

Officer Szmolka, wired with a tape recorder, met with Mr. Gilbert at 11:55 A.M. The two men, who recognized each other by reciting prearranged passwords, walked 30 yards away to the officer's van and got in.

Federal agents arrested Mr. Gilbert when he stepped out of the van 20 minutes later.

Lived in Queens 20 Years

Although the F.B.I. would confirm only that Mr. Gilbert had lived in Forest Hills, Connie Sadik, the manager of an apartment house just off Queens Boulevard, said Mr. Gilbert and his mother had lived there for more than 20 years, until last November.

Residents remembered the man believed to be Mr. Gilbert as a person who kept mostly to himself and was absent for long periods. The man's mother, who was in her late 70's, was described as a friendly woman who spoke little English.

One neighbor, a Hungarian woman who asked not to be identified, said the mother was reluctant to return to Hungary last fall when her son announced his plans. The neighbor said the mother "cried for months because she did not want to go, but she had no one to take care of her."



United Press International
Otto Atilla Gilbert after arraignment yesterday in Augusta, Ga.